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Net-Zero Strategy Report FY24

Produced for Make UK

By Inspired

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Number of Employees in the reporting year 386

Sector: Business support and membership organisation SIC Code: 94110

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This report presents an updated strategy for Make UK’s journey toward achieving net-zero emissions and provides a comprehensive overview of the company’s emissions profile.

In 2024, Make UK worked with Inspired ESG to develop carbon reduction targets aligned with the Science-Based Targets Initiative (SBTi). The baseline year for Scope 3 targets has been revised from FY22 to FY24 (1st January 2024 – 31st December 2024) to reflect improved data accuracy, ensuring a more reliable foundation for tracking progress. The baseline year for Scope 1 and 2 targets remains FY19 (1st January 2019 – 31st December 2019).

The report details Make UK’s strategic plans, actions, and recommendations for meeting its net-zero target, including ongoing initiatives and future steps to accelerate the transition.

The decarbonisation roadmap presented in this report has yet to be signed off by Make UK's executive board. Once signed off by the board, the focus area-specific roadmaps should be disseminated to the relevant implementation teams across the business.



Overview

Metrics and Targets

Make UK is using FY19 as its baseline year for its Scope 1, 2 and FY24 as its baseline year for Scope 3 targets.

Make UK has set the following near-term and net-zero targets

- Near-Term Scope 1 and 2 target: target of a 77% reduction in Scope 1 and 2 emissions by 2034 from a FY19 baseline. With a reduction of 50% by 2030, to meet SME Climate Hub commitments (market-based)
- Net-Zero Scope 1 and 2 target: a target of a 90% absolute reduction Scope 1 and 2 emissions by 2050 from a FY19 baseline (market-based)
- Near-Term Scope 3 target: a target of a 58.8% absolute reduction in Scope 3 emissions by 2034, from a FY24 baseline.
- Net-Zero Scope 3 target: a target of a 90% absolute reduction Scope 3 emissions by 2050 from a FY24 baseline.

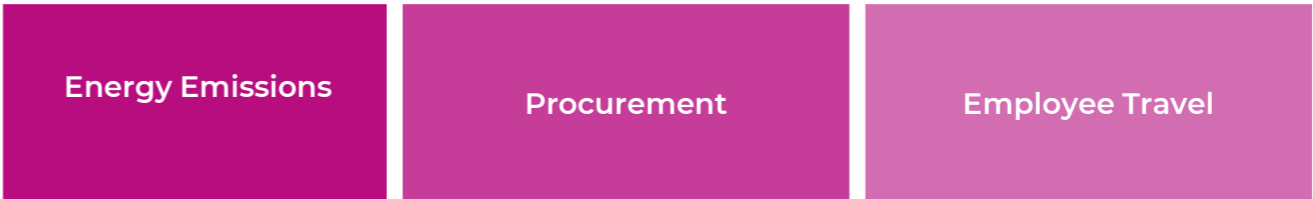
Make UK has made the following progress since its baseline year:

Table 1: Baseline and latest year GHG emissions - summary

Scope (Baseline year)	Baseline emissions	Most recent emissions FY24
Scope 1 (FY19)	613 tCO ₂ e	338 tCO ₂ e
Scope 2 (location-based) (FY19)	589 tCO ₂ e	344 tCO ₂ e
Scope 2 (market-based) (FY19)	620 tCO ₂ e	8 tCO ₂ e
Scope 3 (FY24)	7,543 tCO ₂ e	7,543 tCO ₂ e

Decarbonisation Roadmap

In 2024, Make UK established a decarbonisation action plan that split its emissions down into three key focus areas:



During the FY24 reporting period, Make UK completed the following decarbonisation actions:

- A new Scope 3 baseline year was established following improved data quality.
- Energy efficiency measures were implemented, such as the installation of a more efficient gas boiler, voltage optimization technology, and LED lighting.
- Partially switched to renewable electricity contracts.
- Provided a complete list of Category 1 supplier names with a comprehensive breakdown of cost items.
- Collected supplier-specific data from top catering supplier and other suppliers (e.g., Vodafone Ltd).

In the short-term, Make UK intends to focus on the following actions:

- Procure 100% renewable electricity across all sites.
- Explore heat decarbonisation options.
- Continue supplier engagement.
- Implement a sustainable procurement policy.
- Collect granular data for all business travel spend.
- Incentivise low-carbon commuting options.

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Governance



Overview of net-zero Governance

Make UK has been working closely with an external consultant (Inspired) to support the completion of its Streamlined Energy and Carbon Report (SECR) and accurately measure Scope 3 emissions.

Inspired also assisted Make UK in developing its net-zero targets and overall net-zero strategy.

A net-zero workshop was held by Inspired in 2024, which included a review of FY22 and FY23 emissions and an opportunity to discuss areas of concern and potential pathways to reduce emissions. Recommended reduction targets have been discussed during the workshop.

Make UK’s net-zero journey, and emissions reporting, are being overseen by the Venues Director. They are supported by a sustainability committee comprising members from various business areas. The targets presented in this report have yet to be signed off by Make UK's executive board.

The below highlights the hierarchy and required sign-off pathway for targets and funding of projects.



It is recommended to include climate change in board meetings to ensure a formal process for updates: the board should also be given climate change and decarbonisation training to ensure robust decision-making and sign-off processes.

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Metrics



Greenhouse Gas Emissions Inventory

Make UK is using its financial year FY19 as its Scope 1 and 2 baseline, as this is the earliest year data has been calculated for. The Scope 1 and 2 emissions include energy consumption at Make UK’s UK sites. Scope 2 emissions are baselined using the market-based approach, and targets will be tracked using this approach.

Make UK is using its financial year FY24 as its Scope 3 baseline. Although Scope 3 emissions were measured in FY22 and FY23, data collection improvements have been implemented since then therefore the FY24 Scope 3 footprint reflects the most representative baseline.

Table 2: Baseline and latest year GHG emissions – full inventory

	Scope 1 & 2 Baseline emissions FY19 tCO ₂ e	Scope 1 & 2 Recent emissions FY24 tCO ₂ e
Scope 1	613	338
Scope 2 – Location-based	589	344
Scope 2 – Market-based	620	8
	Scope 3 Baseline year FY24 tCO ₂ e	
Scope 3	7,543	
1: Purchased Goods and Services	3,451	
2: Capital Goods	244	
3: Fuel-related Emissions	169	
4: Upstream Transportation and Distribution	12	
5: Waste Generated in Operations	131	
6: Business Travel	361	
7: Employee Commuting	677	
8: Upstream Leased Assets	N/A	
9: Downstream Transportation and Distribution	N/A	
10: Processing of Sold Products	N/A	
11: Use of Sold Products	N/A	
12: End-of-life Treatment of Sold Products	4	
13: Downstream Leased Assets	15	
14: Franchises	N/A	
15: Investments	2,479	

Other metrics

Table 3: Share of electricity consumption from renewable contracts.

	Electricity from 100% Renewable Contracts	Scope 2 market-based Emissions
FY19	0%	620 tCO ₂ e
FY24	2.9%	8 tCO ₂ e

Despite the share of electricity consumption from renewable contracts only increasing to 2.9%, the associated Scope 2 market-based emissions have decreased by 98.7% since FY19. This is due to supplier-specific factors being used in FY23 and FY24.

Table 4: Share of gas consumption, per site.

	FY24 Gas Consumption (kWh)	Share of Total Gas Consumption
Broadway House	274,380	14.9%
Engineers House	247,036	13.4%
Old Milverton Lane	1,106,084	59.9%
St James House	7,664	0.4%
Queens Park	115,861	6.3%
The Hub	94,099	5.1%



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Targets



Summary of Make UK’s targets

In 2024, Make UK set science-based* near-term and net-zero targets. These targets align with the Science-Based Targets initiative criteria and demonstrate Make UK’s long-term commitment to reducing environmental impacts. Targets have not yet been validated by SBTi.

Near-term Scope 1 and 2 emissions reduction target:

50% reduction in absolute Scope 1 and 2 emissions by 2030, from a 2019 baseline. This aligns with the SME Climate Hub.

77% reduction in absolute Scope 1 and 2 emissions by 2034, from a 2019 baseline. This aligns with the SBTi.

Near-term Scope 3 emissions reduction target:

58.8% reduction in absolute Scope 3 emissions by 2034, from a restated FY24 baseline.

Net-Zero Targets:

Net-zero* (at least 90% absolute reduction) Scope 1 and 2 emissions by 2050, from a 2019 baseline.

Net-zero* (at least 90% absolute reduction) Scope 3 emissions by 2050, from a restated FY24 baseline.

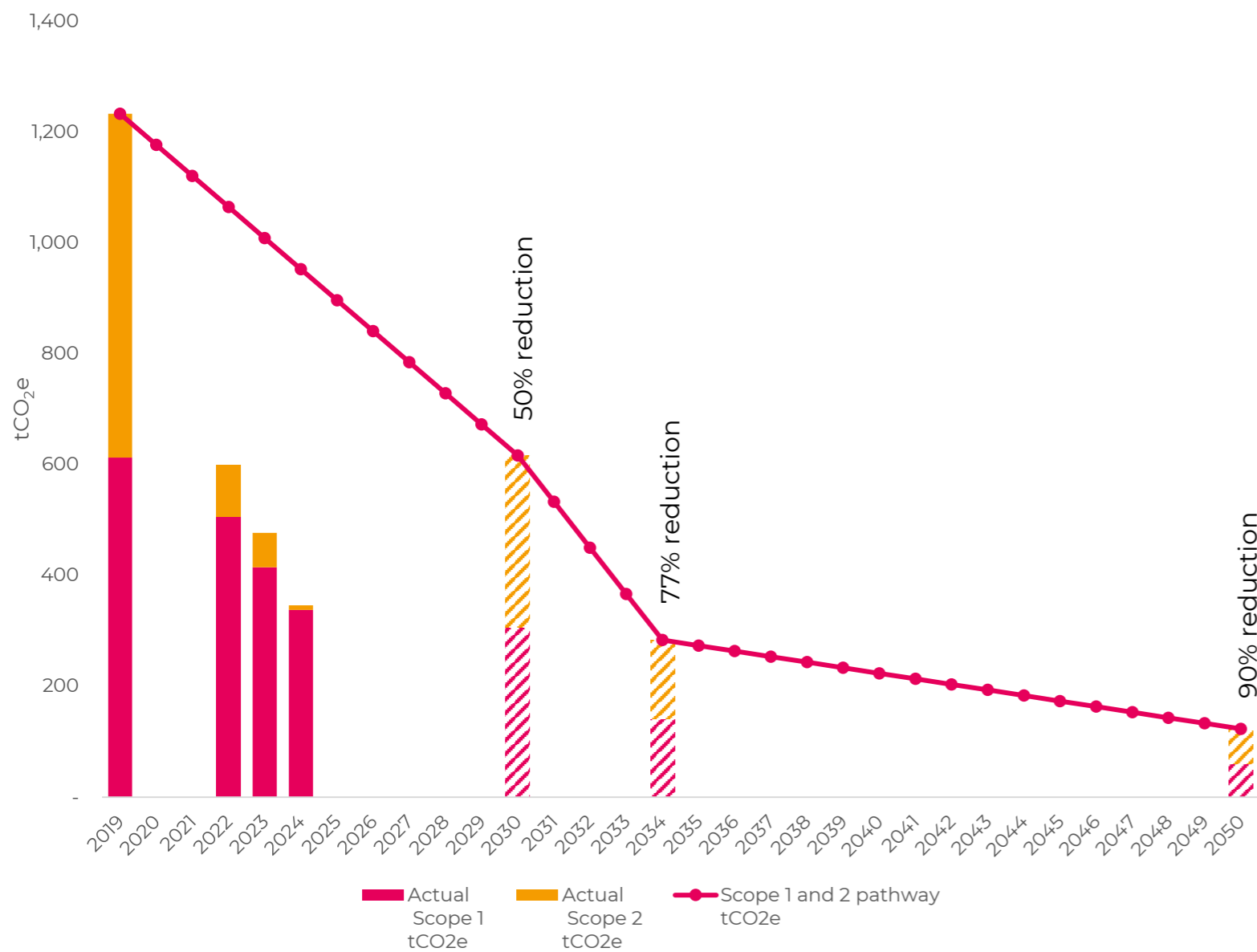
*Net-zero definition: Scope 1, 2 and 3 emissions must be reduced on an absolute basis by at least 90%, with no more than 10% of baseline emissions being neutralised through carbon removals. See [Appendix](#) for more information.

Progress against targets

Scope 1 and 2

In 2024, Make UK had achieved a 71.9% reduction compared to its baseline year. This surpasses the target ambition of reducing Scope 1 and 2 emissions by 50% by 2030. To reach the near-term target of reducing emissions by 77% by 2034, a yearly reduction of 1.8% is required from 2025 onwards, based on the FY24 emissions level. Similarly, to achieve a 90% reduction by 2050, an annual reduction of 2.5% from the FY24 emissions level is required from 2025 onwards.

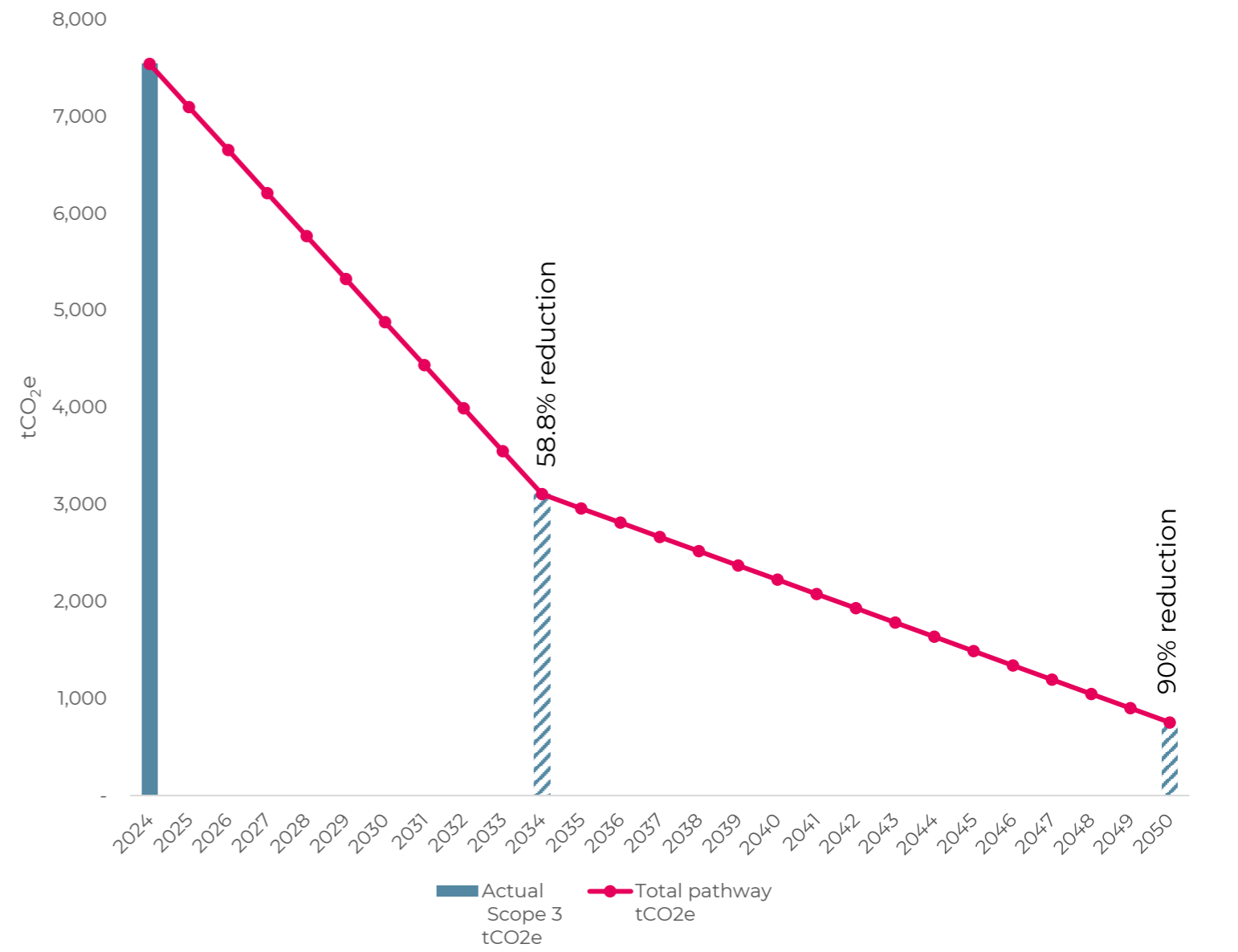
Figure 1: Progress against Scope 1 and 2 targets



Scope 3

Figure 2 maps out Make UK's targets under the current SBTi guidelines. To reach a 58.8% reduction by 2034, an annual reduction of 5.88% is required. To achieve a 90% reduction by 2050, an annual reduction of 3.5% is needed from 2025 onwards.

Figure 2: Progress against Scope 3 targets





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Decarbonisation Roadmap



Summary of decarbonisation roadmap

In 2024, Make UK identified three key decarbonisation focus areas. Short, medium and long-term actions for each focus area were set out.

Table 5: Summary of decarbonisation roadmap

	Completed actions (2019-2024)	Short-term actions (2025-2026)	Medium-term actions (2027-2030)	Long-term actions (2030+)
Energy Emissions	<ul style="list-style-type: none">Baseline year emissions calculated.Reduced Scope 2 market-based emissions by 98.7% between 2019 and 2024, with three out of seven electricity supplies procuring 100% renewable electricity in 2024.Various energy efficiency measures implemented, such as LED lighting installation and gas boiler upgrade.	<ul style="list-style-type: none">Procure 100% renewable electricity.Explore feasibility of natural gas alternatives.Begin exploration of heat decarbonisation options.Implement energy efficiency actions to reduce electricity consumption.	<ul style="list-style-type: none">Begin transition away from fossil-fuel heating.Ensure energy efficiency actions are rolled out across all sites.Explore on-site generation to reduce costs and offset increased electricity consumption from the transition of heating changes.	<ul style="list-style-type: none">Low or no-carbon heating only.Install Solar PV at largest sites.
Procurement	<ul style="list-style-type: none">Baseline year emissions calculated.Engaged with top catering supplier in 2024, Wilson Vale, collecting a comprehensive breakdown of cost items including a portion of weight-based data.Provided a list of supplier names broken down for each cost item in Category 1.	<ul style="list-style-type: none">Continue supplier engagement.Increase the percentage of weight-based data for catering suppliers.Implement a sustainable procurement policy, with a staggered approach.	<ul style="list-style-type: none">Increase strictness of sustainable procurement policy.Engage with 100% of suppliers.Benchmark suppliers.	<ul style="list-style-type: none">Explore alternative suppliers, if current suppliers do not align with targets.Purchase only low or no-carbon products and services.
Employee Travel	<ul style="list-style-type: none">Baseline year emissions calculated.Granular data about flights' origin and destinations collected, improving data accuracy.Employee commuting survey.	<ul style="list-style-type: none">Continue to collect granular data for all business travel spend.Incentivise low-carbon commuting options.	<ul style="list-style-type: none">Remove hurdles to low-carbon commuting.Produce engagement material to educate employees on the impact their commuting habits have on emissions.	

Energy Emissions

Overview

Make UK’s sites and operations produce emissions directly through the consumption of natural gas and indirectly through the purchase of electricity and the production and subsequent handling of waste. Make UK can reduce the emissions associated with these sources by reducing the consumption of materials and energy, utilising low-emissions technologies and providing awareness training for staff. In FY24, natural gas accounted for 98% of total Scope 1 and Scope 2 market-based emissions and should, therefore, be the focus for meeting targets.

Relevant action teams

Facilities teams will be responsible for implementing initiatives across Make UK.

Key challenges

Capital investment will be required to implement identified actions. Availability of suitable, low carbon alternatives will also affect feasibility of planned actions.

The upfront cost of installing heat pumps or other electric or renewable heating systems can be costly and time-consuming.

External enablers

Target to decarbonise the UK electricity grid by 2035. The Net-zero Building Council and other industry bodies are looking to reduce the impact of emissions on buildings. Green building certification schemes, such as BREEAM, are being used more widely.

Increased investment in clean energy technologies from both the public and private sectors supports the development of more efficient heating solutions.

KPIs

Reduce Scope 1 and 2 emissions by 77% by 2034.

Figure 3: Share of Scope 1 and 2 emissions

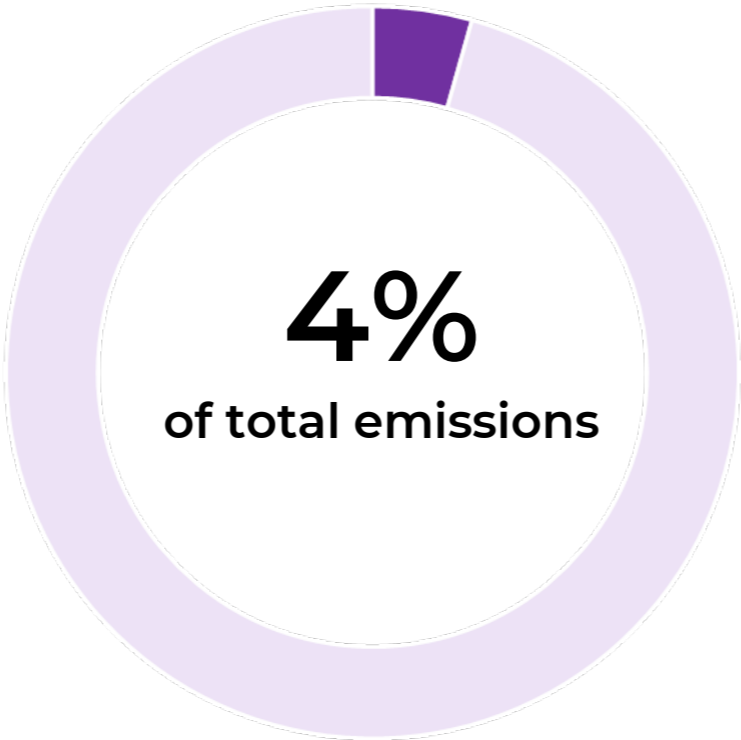


Table 6: Scope 1 and 2 emissions, split by source.

	Baseline emissions FY19	Most recent year FY24
Scope 1 – Gas	505 tCO ₂ e	338 tCO ₂ e
Scope 1 – Transport	108 tCO ₂ e	0.1 tCO ₂ e
Scope 1 – Other fuels	0 tCO ₂ e	0.1 tCO ₂ e
Scope 2 – Purchased Electricity (market-based)	620 tCO ₂ e	8 tCO ₂ e

Table 7: Energy emissions decarbonisation roadmap

	Action year	Action
Completed actions	2019	Baseline emissions calculated.
		Three out of seven electricity supplies procuring 100% renewable.
		Various energy efficiency measures implemented, such as LED lighting installation and gas boiler upgrade.
Short-term	2024	Switch-off policy implemented: compressors, coffee machines, and catering equipment (ovens, fryers, etc) are now switched when not in use.
		Voltage Optimisation system installed at Woodland Grange.
		Procure 100% renewable electricity.
		Explore the feasibility of natural gas alternatives, particularly at Old Milverton Lane.
	2025	Begin exploration of heat decarbonisation options. Inspired can help conduct feasibility and desktop studies.
Medium-term		Review of gas optimisation technology to identify opportunities for improvement.
		Continue implementing energy efficiency measures identified during site surveys, such as replacing all existing lighting with LED lighting and installing PIR motion detectors.
	2027	Begin transition away from fossil-fuel heating.
	2028	Ensure energy efficiency actions, identified in site surveys, are rolled out across all sites.
Long-term	2029	Explore on-site generation reduce costs. This will also help offset increased electricity consumption from heating transition.
	2030+	Low or no-carbon heating only.
	2030+	Install Solar PV at largest sites.

Procurement

Overview

Make UK’s procurement of purchased goods and services and capital goods account for almost half of total emissions. For goods purchased, embodied emissions are included, whereas with services, suppliers Scope 1 and 2 emissions are included. Supplier engagement will be key to better identifying decarbonisation strategies.

Relevant action teams

Procurement teams across the business will need to work with their main suppliers to capture granular data.

Key challenges

Many suppliers may lack the required data, and limited spending may reduce the influence Make UK can have on suppliers.

External enablers

Target to decarbonise the UK electricity grid by 2035 will reduce service procurement emissions without action.

Specific targets/KPIs

Engage with 100% of suppliers by 2027.

Figure 4: Share of Procurement emissions.

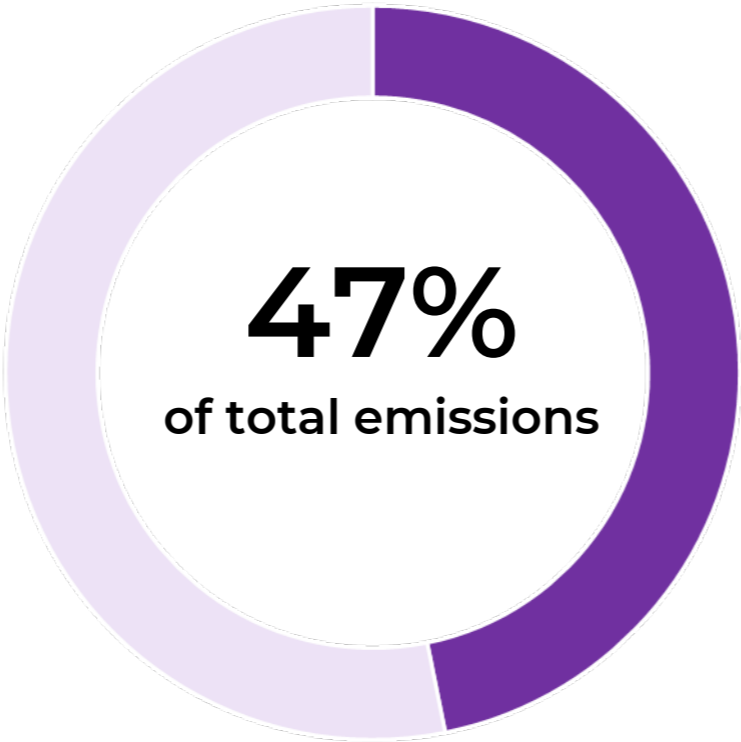


Table 8: Procurement emissions by source.

	Baseline emissions FY24
Category 1 – Purchased Goods & Services	3,451 tCO2e
Category 2 – Capital Goods	244 tCO2e

Table 9: Procurement decarbonisation roadmap

Action year	Action
Completed actions	Baseline year emissions calculated.
	2024 Supplier engagement began. - Top 20 Make UK suppliers have been contacted about the commitment to Net-Zero and their decarbonisation plans - Engaged with the main catering partner, Wilson Vale, which provided detailed information on carbon for different food groupings.
Short-term	2025 Continue supplier engagement. Focus on spend categories highlighted in Table 10. Implement a sustainable procurement policy. This can follow a tiered approach, as highlighted on Slide 21.
	2027 Increase strictness of sustainable procurement policy. All suppliers should be able to report Scope 1, 2 and 3 emissions.
Medium-term	2027 Engage with 100% of suppliers.
	2028 Benchmark all suppliers. This will specific suppliers to be focused on for further engagement.
Long-term	2030 Explore alternative suppliers, if current suppliers do not align with targets.
	2035+ Purchase only low or no-carbon products and services.

Supplier Engagement

In FY24, Make UK made significant efforts to engage with suppliers, collecting supplier-specific data for the top catering supplier and supplier emissions data across other key suppliers. The significant progress with supplier engagement has led to a new baseline year for Scope 3 emissions, from FY22 to FY24.

During the FY24 reporting year, Make UK engaged with its top catering supplier, Wilson Vale, collecting a comprehensive breakdown of cost items, including a portion of weight-based data. This has allowed switching from the spend-based approach to the weight-based approach that considers weights and types of food, which is a more accurate way of calculating emissions from purchased products. Moreover, supplier-specific data was gathered through suppliers’ questionnaires from Vodafone Ltd.

Make UK should now focus on expanding the level of supplier engagement, particularly within the top highest emitting categories listed below:

Table 10: Supplier engagement focus areas

Spend Category	Total tCO ₂ e emissions	Share of Category 1 Emissions (covering 57% of total Category 1 emissions)
Catering and Room Hire External	570.94	17%
Associates' costs	343.67	10%
Events & Exhibitions	262.65	8%
Butchery*	203.32	6%
Corporate Subscriptions	157.31	5%
Professional Consultants Fees	153.99	4%
Catering purchases (food etc)	146.13	4%
Catering and Room Hire Internal	142.34	4%

*The “Butchery” category includes purchases from Wilson Vale. Make UK has already begun engagement with Wilson Vale in FY24 and it is recommended to keep gathering data from them on an annual basis.

Employee Travel

Overview

This focus area includes emissions associated with employee actions, including commuting to work (Category 7 – Employee Commuting) and travelling for business purposes (Category 6 – Business Travel). These emissions will mainly be addressed through behavioural change, which will educate employees about how to adapt their current actions to help reduce Make UK’s emissions footprint. Make UK can help incentivise behavioural change through investment initiatives like salary sacrifice for employee-owned EVs, cycle-to-work schemes, and contributions towards travel cards.

Relevant action teams

HR will be responsible for implementing commuting schemes and a sustainable business travel policy.

Key challenges

Encouraging employees to change habits, i.e. around the use of petrol and diesel cars. Meeting business goals while limiting travel and reducing emissions. Travel to and from events and offices will potentially be impacted.

External enablers

The ban on new combustion engine cars being sold in the UK from 2030 will help enable the transition to EVs for grey fleet. The ‘Jet Zero’ 2040 net-zero target for all UK domestic aviation will help achieve lower carbon business travel and will encourage reductions in emissions related to international aviation.

KPIs

By the end of 2025, implement a cycle-to-work and EV salary sacrifice scheme.

Implement a sustainable business travel hierarchy in 2025.

Figure 5: Share of Employee travel emissions.

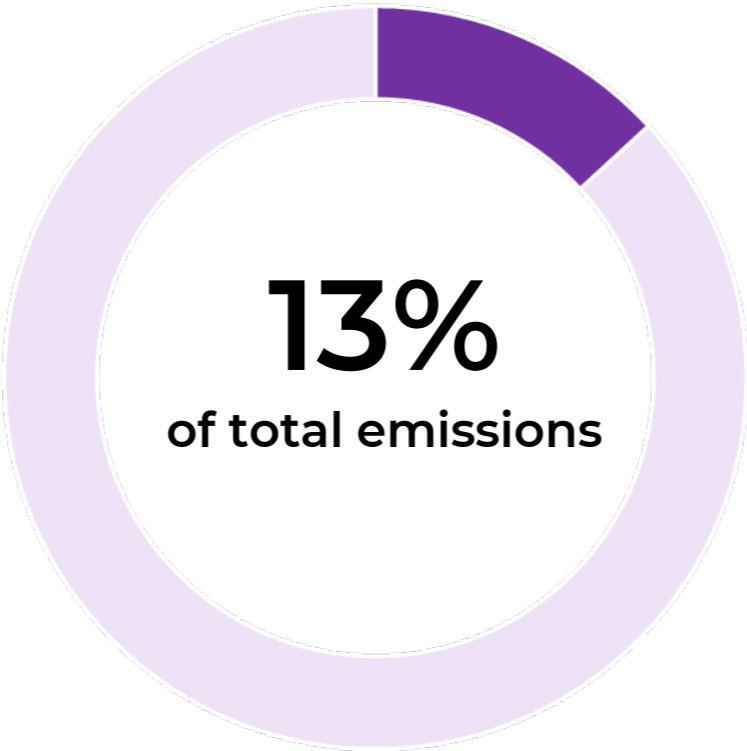


Table 11: Employee travel emissions by source.

	Baseline emissions FY24
Category 6 – Business Travel	361 tCO ₂ e
Category 7 – Employee Commuting	677 tCO ₂ e

Table 12: Employee travel decarbonisation roadmap

	Action year	Action
Completed actions	2024	Baseline year emissions calculated.
		Granular data, including flights origin and destinations, have been collected, improving emissions estimations from Business Travel.
		Employee commuting survey used to gather information about employees commuting habits.
Short-term	2025	Continue to collect granular data for all business travel spend. This includes origin and destinations for air and rail travel. For hotel stays, the number of nights and location of the hotel.
		Implement a sustainable business travel policy. This will have a hierarchy. Train travel being the best option and air travel being the last option.
		Incentivise low carbon commuting options. This can be done through salary sacrifice schemes.
Medium-term	2027	Remove hurdles to low carbon commuting. Bike storage, changing facilities, EV charging points are all examples of additional measures which could expedite the transition in commuting methods.
	2027	Produce engagement material to educate employees on the impact their commuting habits are having on emissions.



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Appendix

What are Science Based Targets?

Science-based targets show how much and how quickly greenhouse gas (GHG) emissions need to be reduced to prevent the worst effects of climate change.

The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. The SBTi’s goal is to accelerate companies across the world to support the global economy to halve emissions before 2030 and achieve net-zero before 2050. More than 3,000 companies across 70 countries and 15 industries have set or are committed to set targets.

Targets adopted by companies to reduce GHG emissions are considered “science-based” if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement — to limit global warming to well-below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C

The SBTi recommends using the most ambitious decarbonisation scenarios that lead to the earliest reductions and the least cumulative emissions.



Near-term target criteria

Scope 1 and 2

As per the SBTi guidelines, near-term targets should be achieved within 5 to 10 years from the date the targets are set, i.e. targets set in 2024 should have a target date of no earlier than 2029 and no later than 2034.

Near-term targets can be set using either the Absolute Contraction Approach or the Sectoral Decarbonisation Approach. The Sectoral Decarbonisation Approach is only applicable to certain sectors, including, Cement, Financial institutes, Power and Steel. All other sectors should use the Absolute Contraction Approach.

As per the Absolute Contraction Approach, near-term Scope 1 and 2 targets need to at a minimum align with the SBTi 1.5C criteria. If the baseline year is 2020 or later, the minimum reduction required to align with the 1.5C pathway is a 42% reduction in absolute emissions by 2030. If the baseline year is earlier than 2020, then the minimum reduction required is a 4.2% annual reduction compared to the base year.

Scope 3

To align with the latest science-based guidelines, near-term Scope 3 targets should be set if Scope 3 emissions account for more than 40% of a company’s total GHG footprint.

Scope 3 targets should cover at least 67% of Scope 3 emissions and can be a combination of absolute reduction, intensity-based reduction, or supplier/customer engagement targets. Absolute and intensity-based targets can follow a well-below 2C or a 1.5C reduction pathway.

The minimum reduction needed to align with the Scope 3 absolute reduction criteria is a 25% reduction in absolute emissions by 2030 (if the baseline year is 2020 or later, if the baseline is earlier than 2020 then the minimum reduction required is a 2.5% annual reduction compared to the base year).

The minimum criteria needed to align with the Scope 3 intensity reduction criteria, is either a 7% compound reduction if the base year is earlier than 2020 or a 51.6% reduction compared to the intensity baseline if the base year is 2020 or later.

Net-Zero target criteria

The SBTi released specific guidance for setting long-term, or net-zero targets, in their Net-Zero Standard report.

The SBTi Net-Zero Standard defines corporate net-zero as:

- Reducing scope 1, 2, and 3 emissions to zero or a residual level consistent with reaching global net-zero emissions or at a sector level in eligible 1.5°C-aligned pathways; and
- Permanently neutralizing any residual emissions at the net-zero target year and any GHG emissions released into the atmosphere thereafter.

Scope 1, 2 and 3 emissions must be reduced on an absolute basis by at least 90%, with no more than 10% of baseline emissions being neutralized through carbon removals.

To have a net-zero target validated by the SBTi, companies must have science-based near-term targets, a net-zero target that meets the SBTi definition of net-zero and plan of how Scope 1, 2 and 3 emissions will be reduced to reach net-zero.

Existing site checklist

<input type="checkbox"/>	LEDs installed
<input type="checkbox"/>	BEMS installed
<input type="checkbox"/>	Staff training and awareness completed
<input type="checkbox"/>	Timers/automatic controls installed on lighting
<input type="checkbox"/>	Timers/automatic controls installed on hot water
<input type="checkbox"/>	Timers/automatic controls installed on heating / air conditioning
<input type="checkbox"/>	Solar PV feasibility reviewed
<input type="checkbox"/>	Natural gas alternative feasibility reviewed

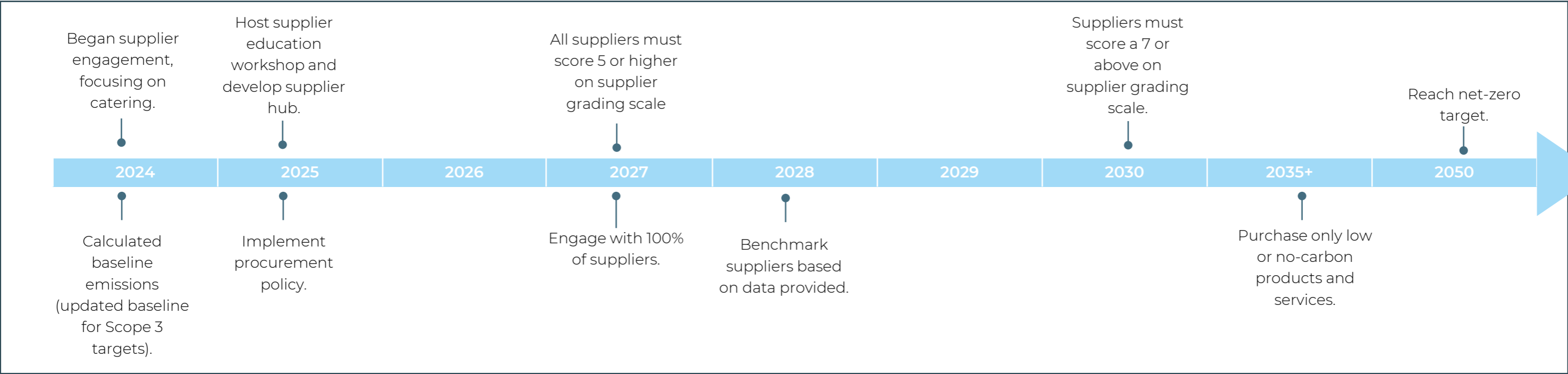
New site checklist

		Recommended criteria
<input type="checkbox"/>	EPC rating (A – G)	C or above
<input type="checkbox"/>	LEDs installed (Yes/No)	Yes
<input type="checkbox"/>	Any on-site energy generation? (solar / wind / anaerobic digestion / gas fired / diesel generator etc)	Ideally solar
<input type="checkbox"/>	Building suitable for solar PV? (Yes/No)	Yes
<input type="checkbox"/>	Current heating source (gas / electric / heat source / biomass)	Ideally electric / heat pump / biomass
<input type="checkbox"/>	Type of glazing in place (single / double / triple)	Double / triple
<input type="checkbox"/>	Age of HVAC / refrigeration systems	<10 years
<input type="checkbox"/>	Estimate of annual energy consumption	
<input type="checkbox"/>	Sub-metering in place?	Yes

Supplier engagement

Engaging with your Supply Chain (including logistics providers and product/service suppliers) will be a long-term process. Below is a recommended timeline for the key milestones in the engagement process.

Supplier engagement timeline



Ideas on how to engage / influence change in the supply chain

- Supplier meeting to explain why Make UK is setting Net-Zero Targets and what it means for the supply chain
- Engage by requesting energy usage numbers
- Engage through requesting energy source information for suppliers' local area
- Offering support to install renewable energy, payback over time from supplier
- Offer Climate Change training with suppliers in their local language and with an adaptive focus on how valuable the environment is to the supplier
- Create a 'supplier awards program' and publish results through official press releases
- Offering incentives for hitting reduction targets
- Support suppliers who are taking action with more business spend
- Discuss with other companies who purchase from the suppliers to work together to influence and pressure change
- Identify environmental audits for the factory and analyse results or request suppliers to go through a chosen environmental audit or obtain certifications such as:
 - ISO14001:2015 Certification
 - BSI Sustainability Audit
 - Initiative for Compliance and Sustainability Audits
- Offer a % of payment towards setting Science Base Targets through SBTi

Supplier grading

The following criteria can be used to score suppliers and provide a consistent ranking of suppliers’ performance in the sustainability space. The weighting of this grading in relation to costs and other factors within supplier contracts should be agreed upon.

Criteria	Yes Score	No Score
Do they measure and report Scope 1 and 2 emissions?	1	0
Do they measure and report Scope 3 emissions?	1	0
Do they provide a breakdown of Scope 3 emissions?	1	0
Do they have a net-zero target?	1	0
Do they have near-term target/s?	1	0
Are their targets SBTi aligned or are they SBTi committed or validated?	2	0
Do they have actions for reducing emissions?	1	0
Do they measure and report a product emissions intensity?	2	0

Suggested minimum requirement by 2030	9 or 10	Supplier reports Scope 1, 2, & 3 emissions and has SBTi validated/aligned emission reduction targets/actions. Supplier produces a product emissions intensity
	7 or 8	Supplier reports Scope 1, 2, & 3 emissions and has SBTi validated/aligned emission reduction targets/actions.
Suggested minimum requirement by 2027	5 or 6	Supplier reports Scope 1, 2, & 3 emissions and has emission reduction targets/actions.
	3 or 4	Supplier reports Scope 1, 2 & 3 emissions but has no emission reduction targets.
	1 or 2	Supplier reports Scope 1 and 2 emissions but has no emission reduction targets.
	0	Supplier has no emission targets, does not report any emissions and no other public mention of sustainability

Low-carbon logistics options

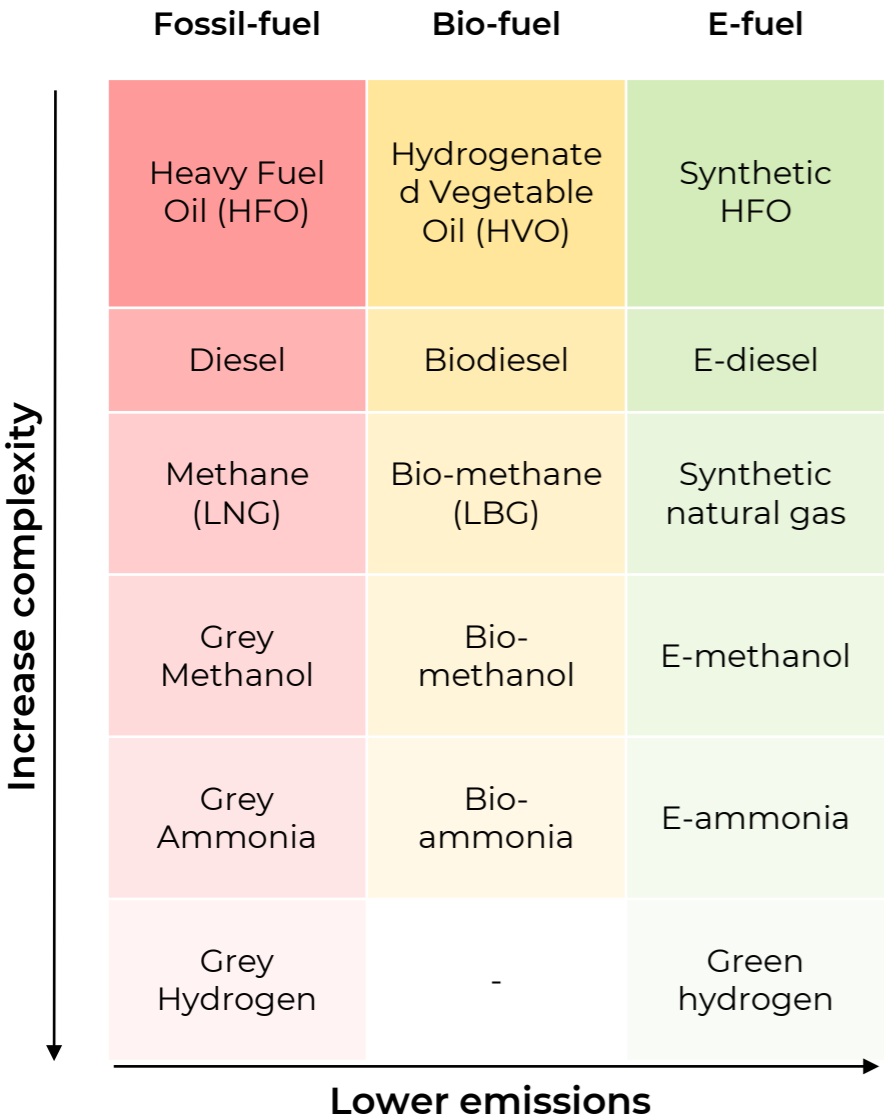
Alternative fuels

There is a range of alternative lower emissions fuels, such as bio-fuels and e-fuels. The alternative fuel that should be used will depend on the current fossil fuel used in the vehicle. Figure 6 demonstrates alternative bio and e-fuels for a variety of fossil fuels.

Switching to bio-fuels over fossil-fuel alternatives can result in up to 90% emission savings.

Alternative fuels offer a viable short-term emission reduction solution but are subject to price fluctuations.

Figure 6: Alternative fuel options



Fuel efficiency initiatives

In the short-medium term, Make UK will need to focus on available fuel efficiency technology and alternative fuels to decarbonise its third-party logistics.

Driving efficiencies and reduced fuel usage can be achieved through:

- Route planning to reduce fuel consumption
- Network/route sharing for optimised efficiency
- Consolidating deliveries
- Driver training to encourage more fuel-efficient driving
- Aerodynamic features added to vehicles and elongated cabs can result in fuel savings of 7-15%

These efficiencies will reduce fuel and so also save costs.

Increasing the capacity of vehicles so that more products are transported will also reduce fuel consumption and fuel costs. Increased capacities can be achieved in several ways:

- Improve the efficiency of products packing
- High-Capacity Vehicles (HCVs) provide an increase in the vehicle's size with heavier loads, which leads to a smaller proportionate increase in fuel consumption. This means less fuel is used compared to smaller vehicles per freight unit hauled. Additionally, increasing the freight transported per journey decreases the number of vehicle journeys required annually.
- Double-Deck Trailers are a similar solution to HCVs; however, the vehicle size does not change.

Vehicle Decarbonisation

Low-carbon vehicle technologies are under development but have yet to be commercially available. Switching Make UK's third-party logistics to low-carbon alternatives will likely play a role from 2030 onwards. The key technologies to be aware of are:

Hydrogen Fuel Cell vehicles (FCEVs)

The earliest 'wide deployment' of FCEVs has an estimated release date of 2040. Production and fueling infrastructure will need to be established at a predicted build rate of 300 per year by 2040.

Battery Electric vehicles

Battery electric vehicles store electricity in renewable batteries that power an electric motor that turns the wheels. Infrastructure is required, and an estimated 860 rapid chargers are needed by 2050. Peak installation is estimated at 69 per year by 2040.

Vehicle compatible with Electric Road Systems (ERS)

There are several different ERS technologies; the most developed is overhead catenary systems (OCS). OCS involves the installation of catenaries alongside a carriageway which connects to a pantograph mounted on top of a vehicle. Compatible vehicles would also have a backup battery to enable travel on roads without an OCS and for obstacles such as bridges and tunnels. The first UK trial is planned for a 40km stretch of road in South Yorkshire.

Emission savings associated with alternative travel

1. Virtual Meetings	<p>Potential savings over a year per employee: 6 tCO₂e</p> <p>Can be encouraged through employee engagement workshops and green business travel policies that require stricter criteria for face-to-face travel.</p> <p>(assumes one train journey from Edinburgh to London per month)</p>
2. Cycle to Work	<p>Potential savings over a year per employee: 1.4 tCO₂e</p> <p>Can be encouraged through cycle-to-work schemes and subsidized bicycle purchases. (assumes commuter was travelling 20 miles per day (round trip) by car and is now cycling every day)</p>
3. Car Share	<p>Potential savings over a year per employee: 1.1 tCO₂e</p> <p>Can be encouraged through a rewards-based scheme / green travel competition in which employees gain points every time they make a green choice.</p> <p>(assumes change from 1 passenger in a car to 4 passengers in a car over a 20 miles round trip)</p>
4. Public Transport	<p>Potential savings over a year per employee: 0.6 tCO₂e</p> <p>Can be encouraged through subsidised public transport travel to work schemes.</p> <p>(assumes change for single passenger car to bus travel over a 20 miles round trip)</p>

Case study: PWC’s 4% reduction in employee travel emissions

Within a 10-year timeframe, PWC almost doubled the size of their business, yet decreased its CO₂ emissions by 4% and aimed to reduce travel emissions per employee by 33%. Their progress is due to the following factors:

- Reducing the number of journeys made.
- Making better use of technology-based alternatives that support collaborative working.
- Providing training on these technologies.
- Through the government's Cycle to Work Scheme, employees are lent bikes and safety equipment to promote cycling. Infrastructure such as extra shower lockers, double-tier bike locks and lockers have also been installed.
- Low-carbon driving options were promoted amongst staff, including hybrid, electric and low-carbon vehicles available through a company car scheme.
- After careful consideration of whether travel is needed, PWCs travel policy encourages employees to book via their internal system so they can manage the travel information, risk management and costs.
- Due to this, between 2007 and 2017, non-client-related air travel was reduced by 90% due to internal controls.
- PWCs offices are generally located near public transport as part of real estate strategy and strategic business planning.
- PWC continually aims to improve the reliability of its data.



Glossary

Adjusted Spend: Adjusting the provided spend values for the baseline year 2020 to the year of the spend-based DEFRA databases (2018/2011). This adjusted value is used to calculate the associated carbon emissions.

Carbon dioxide (CO₂): a greenhouse gas that enters the atmosphere through burning fossil fuels (coal, natural gas, and oil), solid waste, trees and other biological materials, and also as a result of certain chemical reactions (e.g., cement production).

Carbon Neutral: Carbon neutral means an organisation has purchased an equivalent number of compensatory measures, such as carbon offsets and green energy certificates, to neutralise their GHG emissions

Carbon Offsets: Investing in voluntary carbon offsets funds low-carbon projects that replace high emitting alternatives. Carbon offsets can be used to compensate for the emissions produced by a company.

Embodied Emissions: Embodied emissions are emissions associated with the cradle to gate manufacture of products, for example emissions produced through extraction of raw materials, transportation of material and manufacturing processes.

Fluorinated gases: Hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride are synthetic, powerful greenhouse gases that are emitted from a variety of household, commercial, and industrial applications and processes.

Greenhouse gas (GHG): are gases that trap heat in the atmosphere.

GHG Protocol: The Greenhouse Gas Protocol is the most widely used standards for calculating greenhouse gas (GHG) emissions.

Global warming potential: (GWP) GWP is a measure of how much energy the emissions of 1 ton of a gas will absorb over a given period of time, relative to the emissions of 1 ton of carbon dioxide (CO₂). The larger the GWP, the more that a given gas warms the Earth compared to CO₂ over that time period.

Kyoto Protocol: the Kyoto Protocol operationalises the UN Framework Convention on Climate Change by committing industrialised countries and economies in transition to limit and reduce greenhouse gases (GHG) emissions in accordance with agreed individual targets. There are seven GHGs that are required to be reported under the Kyoto Protocol: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur hexafluoride (SF₆) and Nitrogen trifluoride (NF₃).

Location-based emissions: Methodology to calculate scope 2 emissions using the average grid emissions factor of a region.

Market-based emissions: Methodology to calculate scope 2 emissions using emissions factors specific to the contractual instruments in place.

Methane (CH₄): a greenhouse gas emitted during the production and transport of coal, natural gas, and oil. Methane emissions also result from livestock and other agricultural practices, land use, and by the decay of organic waste in municipal solid waste landfills.

Net-zero: net-zero requires a concerted effort over time to eliminate GHG emissions, with compensatory measures as a final step for any emissions that can't be reduced. The SBTi net-zero standard requires a 90% reduction in emissions prior to any residual offsets, up to 10% of the baseline, being offset using carbon removal offsets.

Nitrous oxide (N₂O): a greenhouse gas emitted during agricultural, land use, and industrial activities; combustion of fossil fuels and solid waste; as well as during treatment of wastewater.

SBTi: The Science Based Targets initiative (SBTi) is the internationally recognised body for validating emissions reduction targets that are in line with the latest climate science.

Scope 1: Emissions from gas usage and transportation fuels (under the company's control).

Scope 2: Emissions associated with the consumption of purchased electricity. Are presented on both a location based (using country average electricity emission factors) and market based (taking into account any purchased renewable generated electricity) approach.

Scope 3: Company's value chain emissions, divided into 15 categories, as established by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard.

Sulphur hexafluoride (SF₆): a greenhouse gas that is primarily used in electrical transmission and distribution equipment.

tCO₂: Tonnes of carbon dioxide gas released into the atmosphere. This metric is often used when reporting electricity emissions factors.

tCO₂e: Greenhouse gases have different global warming potentials and are converted to a carbon dioxide equivalent for ease of comparison and reporting.

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